MULTIMEDIA UNIVERSITY®

STUDENT ID NO | | | | | | | | | | |

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2022/2023 (TERM ID 2215)

BSB3014 – SMALL BUSINESS MANAGEMENT

(All sections/Groups)

21 FEBRUARY 2023
9.00 a.m – 11.00 a.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 5 pages with 5 questions only.
2. Answer ALL questions.
3. The distribution of the marks for each question is given.
4. Please write all your answers in the Answer Booklet provided.

Answer ALL FIVE (5) questions.

QUESTION 1

Small and Medium Enterprises (SMEs) play a major role in most economies, particularly in developing countries. SMEs account for the majority of businesses worldwide and are important contributors to job creation and global economic development. They represent about 90% of businesses and more than 50% of employment worldwide. Formal SMEs contribute up to 40% of national income (GDP) in emerging economies. These numbers are significantly higher when informal SMEs are included. According to our estimates, 600 million jobs will be needed by 2030 to absorb the growing global workforce, which makes SME development a high priority for many governments around the world. In emerging markets, most formal jobs are generated by SMEs, which create 7 out of 10 jobs. However, access to finance is a key constraint to SME growth, it is the second most cited obstacle facing SMEs to grow their businesses in emerging markets and developing countries.

Source: https://www.worldbank.org/en/topic/smefinance

a) Compare and contrast the common importance as well as weakness of small businesses. (10 Marks)

b) As a top business coach, what would be your top **FIVE (5)** tips for small business owners to develop and ensure the success of their business? (10 Marks)

Continued...

QUESTION 2

a) You and your co-founders have developed a new online marketplace – MyBeautyMall – it's a one stop centre for all your beauty services needs. It's an online platform where you bring together various businesses and freelancers that offer beauty services such as makeup artists, hairdressers and stylists, nail treatments, facial and skin care treatments, tanning, massages, complementary care such as aromatherapy, etc. The vision is to be the Uber for beauty services. To date, you have secured 200 businesses and freelancers from around the Klang Valley onto your App. You are seeking investors to enable you to launch MyBeautyMall. What key steps would you be doing next to successfully secure the investments? (10 Marks)

b) Carlson Chia the founder of the CL Group Auto Service (M) Sdn. Bhd. was one of the recipients of the Top SME CEO award. Following is a screen capture from one of his social media accounts.

i. What type of marketing strategy and growth engine would you categorize as being used by Carlson based on the example given above? (6 Marks)

ii. Suggest **TWO (2)** options to optimize this strategy? (4 Marks)

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QUESTION 3

a) Your small business has been operating for nearly a year now. Business is good and you have a good customer base. You believe that it is time to scale up the business. However, finances are still limited. How would you convince your co-founders to adopt crowdfunding, what are the merits of crowdfunding you will highlight to achieve your objective? (10 Marks)

b) "Loucase (formerly known as Casesbywf) is the fastest growing tech accessories brand based in Malaysia, reaching 1 in 7 millennials. We are a team of passionate individuals and creative advocates who believe every project should be a work of art.
Loucase challenges the status quo designing tech accessories with true artist spirit as we value self-expression and individuality. Our aim is to create unique exquisite designs on phone casings. Each and every case is made entirely here in Subang Jaya, Malaysia and designed by the founder herself, Ain Nurina and the team who both in their own right bring success and experience to the company.
Collaborating through their love of colour, collage, pop culture and weird stuff they create bold and original designs, keeping up with trends but also creating their own. Using high-quality sturdy plastics and a state-of-the-art printing method, you're guaranteed to be getting a brilliantly made product."

Source: https://loucase.com/pages/about-us

Ain Nurina who is an MMU alumnus has hired you as the new manager for their flagship outlet. What would be your main strategies for the shop floor to ensure success? (10 Marks)

QUESTION 4

You are one of the co-founders of iTalentNet Sdn. Bhd., a talent and career advisory agency targeting the student population on campuses around the country. You recognized that there are plenty of aspiring artists, models, actors, etc. among students. Furthermore, there are also those with talents, skills and technical abilities which sought by businesses, event organizers, producers, etc. iTalentNet is an online platform where students can create their profile and portfolio, which can be searched or matched with potential employers. What options do you have if you want to exit your small business, iTalentNet and what would your recommendation be to your co-founders if you are still at the startup stage? How would you go about it?

(20 Marks)

Continued...

QUESTION 5

Startup Kabina raises funding led by East Ventures
By Digital News Asia August 19, 2022

Kabina announced the completion of its undisclosed seed funding round led by East Ventures with the participation from several notable angel investors including celebrity Sandra Dewi. In a statement, the property and construction startup said it will allocate the fresh funds for product development and team expansion. The funds will also be used to invest in equipment and solutions that contribute towards more responsible and sustainable operations in the industry, it added.

Fred Moeis, founder and chief executive officer of Kabina, said this investment and the overall support from East Ventures will accelerate the startup's mission to bring more innovation and sustainable construction solutions to the market. "We look forward to working alongside the strong ecosystem of East Ventures and revolutionising the construction and property industry in Indonesia," he said.

Having extensive experience in the construction and property industry during his career as a designer, Moeis said he realised that there are a number of pressures faced by the local players in this industry. These are commonly related to the challenges of cost inefficiency and time estimation, he said. "Moreover, there is still a lack of awareness or focus on minimising the negative impact on the environment through the use of energy-intensive equipment," he said.

Founded in 2020, Kabina serves as a solution to these ongoing problems. The startup believes these challenges can be reduced or even eliminated by integrating technology-based solutions to the process of construction and property development.

The startup claimed to simplify the construction process by utilising modularity, pre-fabrication, and wood sourced from sustainably managed and Forest Stewardship Council certified forest as its primary material. According to Kabina, these simplification techniques serve as an innovative solution to cost saving and minimising waste, as well the water and energy consumption. It said the pandemic has brought a shift of needs towards aspects of people's life, including in the construction and property industry.

In terms of residential clusters, Kabina said it creates a multi-purpose structure, which allows its customers to easily adjust and reconstruct it based on their personal needs. The company will also launch other lifestyle offerings according to the needs of its customers. These include Kabina House, Kabina Space, Kabina Suite, Kabina Studio, Kabina Lounge and Kabina Play, among others. Among its highlights is Kabina Market, an outdoor retail platform with at least 50% of outdoor area, it said. This platform will be located in prime areas to connect the customers with brands and retail, but taking into consideration the preferences of customers' towards open space experiences.

Avina Sugiarto, partner of East Ventures said the addition of Kabina into the East Ventures' ecosystem, will further strengthen the firm's proptech line-up to democratise the construction and property industry in Indonesia through efficient and sustainable materials and processes."We believe the sustainable innovation and approaches offered by Kabina will further bring positive impacts towards the overall growth of the society," she said.

Source: https://www.digitalnewsasia.com/business/startup-kabina-raises-funding-led-east-ventures

Continued...

a) You have recently joined the Kabina team as part of the expansion enabled by the funding raised from East Ventures. The CEO, Fred Moeis, has invited all team members to a pitching session where anyone can pitch strategic ideas to be included as part of the development and expansion initiative. You decided to pitch the establishment of an ethics function in the management team as you believe in the importance of ethics in business, and the benefits of paying attention to ethical issues in the workplace. Discuss **FIVE (5)** key points you would highlight when pitching your idea. (10 Marks)

b) Inspired by Kabina, you have decided that your small business needs to become an ethical business. To convince the team, you highlight to them common ethical issues that often occur in the workplace. List any **FIVE (5)** common workplace issues. (10 Marks)

End of Paper